

# State of South Dakota

## SEVENTY-FOURTH SESSION LEGISLATIVE ASSEMBLY, 1999

804C0836

### SENATE CONCURRENT RESOLUTION NO. 8

Introduced by: Senators Dennert, Benson, Bogue, Daugaard, Flowers, Hutmacher, Kloucek, Lange, Lawler, Reedy, Symens, and Valandra and Representatives Burg, Apa, Cutler, Duenwald, Hagen, Haley, Jaspers, Kazmerzak, Lucas, Nachtigal, Sutton (Daniel), Waltman, and Weber

1 A CONCURRENT RESOLUTION, Expressing opposition to the proposed merger between  
2 Cargill, Incorporated and Continental Grain Corporation.

3 WHEREAS, American Livestock Producers currently face unprecedented challenges to their  
4 ability to earn their livelihood; and

5 WHEREAS, many of the problems that livestock producers face are the result of anti-  
6 competitive pricing and marketing practices, as well as an increasing degree of concentration and  
7 vertical integration in the livestock and meat packing industries, by large-scale meat packing  
8 corporations; and

9 WHEREAS, it is extremely important that independent producers have confidence that there  
10 is real competition when they begin to make production and marketing decisions for their  
11 livestock; and

12 WHEREAS, a merger has been proposed between Cargill, Incorporated, an international  
13 farm and food processor, and Continental Grain Corporation, a worldwide grains company; and

14 WHEREAS, the proposed merger between Cargill and Continental continues the trend of  
15 small producers and family farmers being adversely affected by the operations of giant

1 corporations and exacerbates problems caused by diminishing levels of competition in the  
2 agriculture; and

3 WHEREAS, rapid consolidation in every sector of agriculture has had negative impacts for  
4 family farmers and ranchers:

5 NOW, THEREFORE, BE IT RESOLVED, by the Senate of the Seventy-fourth Legislature  
6 of the State of South Dakota, the House of Representatives concurring therein, that the South  
7 Dakota Legislature strongly urges the United States Congress, the United States Department of  
8 Justice, and the United States Department of Agriculture to investigate the proposed merger  
9 between Cargill, Incorporated, and Continental Grain Corporation for possible antitrust  
10 violations and other adverse impacts on the agricultural economy and to place a moratorium on  
11 further mergers of agricultural businesses until a study of net farm income and an investigation  
12 of the proposed mergers can be completed.